

1 Introduced by

2 Referred to Committee on

3 Date:

4 Subject: <Subject>

5 Statement of purpose of bill as introduced: This bill proposes to <Purpose>

6 An act relating to housing and housing development

7 It is hereby enacted by the General Assembly of the State of Vermont:

8 * * * Vermont Rental Housing Improvement Program * * *

9 **Sec. 1.** 10 V.S.A. § 699 is amended to read:

10 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

11 (a) Creation of Program.

12 * * *

13 (5)(A) The Department may cooperate with and subgrant funds to State
14 agencies and governmental subdivisions and public and private organizations
15 in order to carry out the purposes of this subsection.

16 (B) Solely with regards to actions undertaken pursuant to this
17 subdivision, entities, including grantees, subgrantees, and contractors of the
18 State, shall be exempt from the provisions of 8 V.S.A. chapter 73 (licensed
19 lenders, mortgage brokers, mortgage loan originators, sales finance companies,
20 and loan solicitation companies).

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(d) Program requirements applicable to grants and forgivable loans.

(1)(A) A grant or loan shall not exceed:

(i) ~~\$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building accessibility requirements under the Vermont Access Rules; or~~

(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit. Up to an additional \$20,000.00 per unit may be made available for specific elements that collectively bring the unit to the visitable standard outlined in the rules adopted by the Vermont Access Board.

* * *

(e) Program requirements applicable to grants ~~and five-year forgivable loans~~. For a grant ~~or five-year forgivable loan~~ awarded through the Program, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local ~~coordinated entry~~ homelessness service organizations approved by the Department to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is:

1 (i) exiting homelessness, including any individual under 25 years
2 of age who secures housing through a master lease held by a youth service
3 provider on behalf of individuals under 25 years of age;

4 (ii) actively working with an immigrant or refugee resettlement
5 program; ~~or~~

6 (iii) composed of at least one individual with a disability who
7 receives or is eligible approved to receive Medicaid-funded home and
8 community based services or Social Security Disability Insurance;

9 (iv) displaced due to activity related to climate change or due to a
10 natural disaster; or

11 (v) with approval from the Department in writing, an organization
12 that will hold a master lease that explicitly states the unit will be used in
13 service of the populations described in this subsection (e).

14 * * *

15 (4)(A) A landlord may convert a grant to a forgivable loan upon
16 approval of the Department and the housing organization that approved the
17 grant.

18 (B) A landlord who converts a grant to a forgivable loan shall receive
19 a ~~10 percent~~ pro-rated credit for loan forgiveness for each year in which the
20 landlord participates in the Program.

1 (f) Requirements applicable to 10-year forgivable loans. For a 10-year
2 forgivable loan awarded through the Program, the following requirements
3 apply for a minimum period of 10 years:

4 (1) ~~A landlord shall coordinate with nonprofit housing partners and local~~
5 ~~coordinated entry organizations to identify potential tenants~~ The total cost of
6 rent for the unit, including utilities not covered by rent payments, shall not
7 exceed the applicable fair market rent established by the Department of
8 Housing and Urban Development, except that a landlord may accept a housing
9 voucher that exceeds fair market rent, if available.

10 (2)(A) ~~Except as provided in subdivision (2)(B) of this subsection (f), a~~
11 ~~landlord shall lease the unit to a household that is:~~

12 (i) ~~exiting homelessness, including any individual under 25 years~~
13 ~~of age who secures housing through a master lease held by a youth service~~
14 ~~provider on behalf of individuals under 25 years of age;~~

15 (ii) ~~actively working with an immigrant or refugee resettlement~~
16 ~~program; or~~

17 (iii) ~~composed of at least one individual with a disability who is~~
18 ~~eligible to receive Medicaid-funded home and community based services.~~

19 (B) ~~If, upon petition of the landlord, the Department or the housing~~
20 ~~organization that issued the grant determines that a household under~~

1 ~~subdivision (2)(A) of this subsection (f) is not available to lease the unit, then~~
2 ~~the landlord shall lease the unit:~~

3 ~~(i) to a household with an income equal to or less than 80 percent~~
4 ~~of area median income; or~~

5 ~~(ii) if such a household is unavailable, to another household with~~
6 ~~the approval of the Department or housing organization.~~

7 ~~(3)(A) A landlord shall accept any housing vouchers that are available to~~
8 ~~pay all, or a portion of, the tenant's rent and utilities.~~

9 ~~(B) If no housing voucher or federal or State subsidy is available, the~~
10 ~~cost of rent for the unit, including utilities not covered by rent payments, shall~~
11 ~~not exceed the applicable fair market rent established by the Department of~~
12 ~~Housing and Urban Development.~~

13 ~~(4) The Department shall forgive 10 percent of the amount of a~~
14 ~~forgivable loan for each year a landlord participates in the loan program.~~

15 * * *

16 (i) Creation of the Vermont Rental Housing Improvement Program
17 Revolving Fund. Funds repaid or returned to the Department from forgivable
18 loans or grants funded by the Program shall return to the Vermont Rental
19 Housing Improvement Revolving Fund to be used for Program expenditures
20 and administrative costs at the discretion of the Department.

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2 **Sec. 2.** 10 V.S.A. § 700 is added to read:

3 § 700. VERMONT MANUFACTURED HOME IMPROVEMENT AND
4 REPAIR PROGRAM

5 (a) There is created within the Department of Housing and Community
6 Development the Manufactured Home Improvement and Repair Program. The
7 Department shall design and implement the Program to award funding to
8 statewide or regional nonprofit housing organizations, or both, to provide
9 financial assistance or awards to manufactured homeowners and manufactured
10 home park owners to improve existing homes, incentivize new slab placement
11 for prospective homeowners, and incentivize park improvements for infill of
12 more homes.

13 (b) The following projects are eligible for funding through the Program:

14 (1) The Department may award up to \$20,000.00 to owners of
15 manufactured housing communities to complete small-scale capital needs to
16 help infill vacant lots with homes, including disposal of abandoned homes, lot
17 grading and preparation, the siting and upgrading of electrical boxes,
18 enhancing E-911 safety issues, transporting homes out of flood zones, and
19 improving individual septic systems. Costs awarded under this subdivision
20 may also cover legal fees and marketing to help make it easier for home-
21 seekers to find vacant lots around the State.

1 (2) The Department may award funding to manufactured homeowners
2 for which the home is their primary residence to address habitability and
3 accessibility issues to bring the home into compliance with safe living
4 conditions.

5 (3) The Department may award up to \$15,000.00 per grant to a
6 homeowner to pay for a foundation or federal Department of Housing and
7 Urban Development-approved slab, site preparation, skirting, tie-downs, and
8 utility connections on vacant lots within a manufactured home community.

9 (c) The Department may adopt rules, policies, and guidelines to aid in
10 enacting the Program.

11 * * * Vermont Infrastructure Sustainability Fund * * *

12 **Sec. 3.** 24 V.S.A. chapter 119, subchapter 6 is amended to read:

13 Subchapter 6. Special Funds

14 * * *

15 § 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

16 (a) Creation. There is created the Vermont Infrastructure Sustainability
17 Fund within the Vermont Bond Bank.

18 (b) Purpose. The purpose of the Fund is to provide capital to extend and
19 increase capacity of water and sewer service and other public infrastructure in
20 municipalities where lack of extension or capacity is a barrier to housing
21 development.

1 (c) Administration. The Vermont Bond Bank may administer the Fund in
2 coordination with and support from other State agencies, government
3 component parts, and quasi-governmental agencies.

4 (d) Program parameters.

5 (1) The Vermont Bond Bank, in consultation with the Department of
6 Housing and Community Development, shall develop program guidelines to
7 effectively implement the Fund.

8 (2) The program shall provide low-interest loans or bonds to
9 municipalities to expand infrastructure capacity. Eligible activities include:

10 (A) preliminary engineering and planning;

11 (B) engineering design and bid specifications;

12 (C) construction for municipal waster and wastewater systems;

13 (D) transportation investments, including those required by municipal
14 regulation, the municipality’s official map, designation requirements, or other
15 planning or engineering identifying complete streets and transportation and
16 transit related improvements, including improvements to existing streets;

17 (E) other eligible activities as determined by the guidelines produced
18 by the Vermont Bond Bank in consultation with the Department of Housing
19 and Community Development.

20 (e) Application requirements. Eligible project applications shall
21 demonstrate:

1 (1) the project will create reserve capacity necessary for new housing
2 unit development;

3 (2) the project has a direct link to housing unit production; and

4 (3) the municipality has a commitment to own and operate the project
5 throughout its useful life.

6 (f) Application criteria. In addition to any criteria developed in the
7 program guidelines, project applications shall be evaluated using the following
8 criteria:

9 (1) whether there is a direct connection to proposed or in-progress
10 housing development with demonstrable progress toward regional housing
11 targets;

12 (2) whether the project is an expansion of an existing system and the
13 proximity to a designated area;

14 (3) the project readiness and estimated time until the need for financing;

15 (4) the ranking of the community on the Vermont Department of
16 Finance and Management, Vermont Community Index; and

17 (5) the demonstration of financing for project completion or completion
18 of a project component.

19 (g) Award terms. The Vermont Bond Bank, in consultation with the
20 Department of Housing and Community Development, shall establish award
21 terms that may include:

1 (i) do not have and during the homebuyer’s lifetime have not had
2 any residential ownership interest in any state; or

3 (ii) lost ownership of a home due to foreclosure, short sale, or
4 deed-in-lieu of foreclosure and have not owned a home since that loss; or

5 (B) who has at any time been placed in foster care.

6 * * *

7 (g) Credit allocation.

8 (1) In any fiscal year, the allocating agency may award up to:

9 (A) \$400,000.00 in total first-year credit allocations to all applicants
10 for rental housing projects, for an aggregate limit of \$2,000,000.00 over any
11 given five-year period that credits are available under this subdivision (A).

12 (B) \$675,000.00 in total first-year credit allocations for loans or
13 grants for owner-occupied unit financing or down payment loans as provided
14 in subdivision (b)(2) of this section consistent with the allocation plan,
15 including for new construction and manufactured housing, for an aggregate
16 limit of \$3,375,000.00 over any given five-year period that credits are
17 available under this subdivision (B). Of the total first-year credit allocations
18 made under this subdivision (B), \$250,000.00 shall be used each fiscal year for
19 manufactured home purchase and replacement.

20 (C) \$250,000.00 in total first-year credit allocations for grants to
21 first-time homebuyers who are also first-generation homebuyers as provided in

1 subdivision (b)(3)(D) of this section, for an aggregate limit of \$1,250,000.00
2 over any given five-year period that credits are available under this subdivision
3 (C).

4 (2) If the full amount of first-year credits authorized by an award are not
5 allocated to a taxpayer, the Agency may reclaim the amount not allocated and
6 re-award such allocations to other applicants, and such re-awards shall not be
7 subject to the limits set forth in subdivision (1) of this subsection.

8 (h) Credit allocation; Down Payment Assistance Program.

9 (1) In fiscal year 2016 through fiscal year 2019, the allocating agency
10 may award up to \$125,000.00 in total first-year credit allocations for loans
11 through the Down Payment Assistance Program created in subdivision (b)(2)
12 of this section.

13 (2) In fiscal year 2020 through fiscal year 2026, the allocating agency
14 may award up to \$250,000.00 in total first-year credit allocations for loans
15 through the Down Payment Assistance Program created in subdivision (b)(3)
16 of this section.

17 (3) In fiscal year 2027 through fiscal year 2031, the allocating agency
18 may award up to \$250,000.00 in total first-year credit allocations for loans
19 through the Down Payment Assistance Program created in subdivision (b)(3)
20 of this section.

1 * * * Housing and Residential Services Planning Committee * * *

2 **Sec. 5.** STATE HOUSING AND RESIDENTIAL SERVICES PLANNING
3 COMMITTEE; REPORT

4 (a) Creation. There is created the State Housing and Residential Services
5 Planning Committee to generate a State plan to develop housing for individuals
6 with developmental disabilities.

7 (b) Membership. The Committee shall be composed of the following
8 members:

9 (1) one current member of the House of Representatives, who shall be
10 appointed by the Speaker of the House;

11 (2) one current member of the Senate, who shall be appointed by the
12 Committee on Committees;

13 (3) the Secretary of the Agency of Human Services or designee;

14 (4) the Commissioner of the Department of Disabilities, Aging, and
15 Independent Living or designee;

16 (5) the Commissioner of the Department of Housing and Community
17 Development or designee;

18 (6) the State Treasurer or designee;

19 (7) one member, appointed by the Developmental Disabilities Housing
20 Initiative;

1 (8) the Executive Director of the Vermont Developmental Disabilities
2 Council;
3 (9) one member, appointed by Green Mountain Self-Advocates;
4 (10) one member, appointed by Vermont Care Partners; and
5 (11) one member, appointed by the Vermont Housing and Conservation
6 Board.

7 (c) Powers and duties. The Committee shall create an actionable plan to
8 develop housing for individuals with developmental disabilities that reflects
9 the diversity of needs expressed by those individuals and their families,
10 including individuals with high-support needs who require 24-hour care and
11 those with specific communication needs. The plan shall include:

12 (1) a schedule for the creation of at least 600 additional units of service-
13 supported housing;
14 (2) the number and description of the support needs of individuals with
15 developmental disabilities anticipated to be served annually;
16 (3) anticipated funding needs; and
17 (4) recommendations for changes in State laws or policies that are
18 obstacles to the development of housing needed by individuals with Medicaid-
19 funded home and community based services.

1 (d) Assistance. For purposes of scheduling meetings and preparing
2 recommended legislation, the Committee shall have the assistance of the
3 Office of Legislative Operations and the Office of Legislative Counsel.

4 (e) Report. On or before November 15, 2025, the Committee shall submit
5 a written report to the House Committees on General and Housing and on
6 Human Services and the Senate Committees on Economic Development,
7 Housing and General Affairs and on Health and Welfare with its findings and
8 any recommendations for legislative action.

9 (f) Meetings.

10 (1) The Secretary of Human Services shall call the first meeting of the
11 Committee to occur on or before July 15, 2025.

12 (2) The Committee shall select a chair from among its members at the
13 first meeting.

14 (3) A majority of the membership shall constitute a quorum.

15 (4) The Committee shall cease to exist on November 30, 2025.

16 (g) Compensation and reimbursement. For attendance at meetings during
17 adjournment of the General Assembly, a legislative member of the Committee
18 serving in the member’s capacity as a legislator shall be entitled to per diem
19 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for
20 not more than five meetings. These payments shall be made from monies
21 appropriated to the General Assembly.

1 (B) a statement that all the participant’s rent payments may be
2 reported, regardless of whether the payments are timely, late, or missed, and
3 that reporting may commence within 30 days after the election to participate in
4 the pilot program; and

5 (C) a statement that if the participant elects to cease participating in
6 the pilot program, the participant may not resume participating in the pilot
7 program.

8 (c) The State Treasurer may enter into agreement with one or more entities
9 for the transmission of rent reporting information from the affordable housing
10 providers to a consumer reporting agency.

11 (d) An affordable housing provider shall agree in writing:

12 (1) to participate in the pilot program for the duration of the program;

13 (2) not to charge a participant tenant for participation in the pilot
14 program;

15 (3) to comply with the requirements of the program;

16 (4) to provide information as required by the State Treasurer concerning
17 the implementation of the pilot program; and

18 (5) to assist in the recruitment of tenants to participate in the pilot
19 program.

1 (e) In order to participate in the pilot program, tenants shall complete a
2 financial education course as determined by the State Treasurer in coordination
3 with the affordable housing provider.

4 (f) The State Treasurer may terminate the pilot program at any time in the
5 Treasurer’s sole discretion or terminate participation of an affordable housing
6 provider for failure to comply with the requirements of the program.

7 (g) On or before November 1, 2028, the State Treasurer shall submit a
8 report to the Senate Committee on Economic Development, Housing and
9 General Affairs and the House Committee on General and Housing regarding
10 the findings of the pilot program. The report shall include:

11 (1) the number of participant tenants, including information regarding
12 the demographic makeup of participant tenants, such as race, ethnicity, gender,
13 income, and age, as voluntarily provided by the participant;

14 (2) the number of participant tenants who ceased participating in the
15 program;

16 (3) a breakdown of costs of administering the program, including the
17 monthly costs associated with rent reporting;

18 (4) a description of challenges faced by the participating affordable
19 housing providers and participating tenants during the pilot program;

20 (5) an analysis of the outcomes of rent reporting on participant tenant’s
21 credit scores; and

1 because the person is a recipient of public assistance, or because the person is a
2 victim of abuse, sexual assault, or stalking.

3 * * *

4 **Sec. 8.** 9 V.S.A. § 4502 is amended to read:

5 § 4502. PUBLIC ACCOMMODATIONS

6 (a) An owner or operator of a place of public accommodation or an agent
7 or employee of such owner or operator shall not, because of the race, creed,
8 color, national origin, citizenship, immigration status, marital status, sex,
9 sexual orientation, or gender identity of any person, refuse, withhold from, or
10 deny to that person any of the accommodations, advantages, facilities, and
11 privileges of the place of public accommodation.

12 * * *

13 **Sec. 9.** 9 V.S.A. § 4503 is amended to read:

14 § 4503. UNFAIR HOUSING PRACTICES

15 (a) It shall be unlawful for any person:

16 (1) To refuse to sell or rent, or refuse to negotiate for the sale or rental
17 of, or otherwise make unavailable or deny, a dwelling or other real estate to
18 any person because of the race, sex, sexual orientation, gender identity, age,
19 marital status, religious creed, color, national origin, citizenship, immigration
20 status, or disability of a person, or because a person intends to occupy a
21 dwelling with one or more minor children, or because a person is a recipient of

1 public assistance, or because a person is a victim of abuse, sexual assault, or
2 stalking.

3 (2) To discriminate against, or to harass, any person in the terms,
4 conditions, privileges, and protections of the sale or rental of a dwelling or
5 other real estate, or in the provision of services or facilities in connection with
6 a dwelling or other real estate, because of the race, sex, sexual orientation,
7 gender identity, age, marital status, religious creed, color, national origin,
8 citizenship, immigration status, or disability of a person, or because a person
9 intends to occupy a dwelling with one or more minor children, or because a
10 person is a recipient of public assistance, or because a person is a victim of
11 abuse, sexual assault, or stalking.

12 (3) To make, print, or publish, or cause to be made, printed, or published
13 any notice, statement, or advertisement, with respect to the sale or rental of a
14 dwelling or other real estate that indicates any preference, limitation, or
15 discrimination based on race, sex, sexual orientation, gender identity, age,
16 marital status, religious creed, color, national origin, citizenship, immigration
17 status, or disability of a person, or because a person intends to occupy a
18 dwelling with one or more minor children, or because a person is a recipient of
19 public assistance, or because a person is a victim of abuse, sexual assault, or
20 stalking.

1 marital status, religious creed, color, national origin, citizenship, immigration
2 status, or disability of a person, or because a person intends to occupy a
3 dwelling with one or more minor children, or because a person is a recipient of
4 public assistance, or because a person is a victim of abuse, sexual assault, or
5 stalking.

6 (8) To deny any person access to or membership or participation in any
7 multiple listing service, real estate brokers' organization, or other service,
8 organization, or facility relating to the business of selling or renting dwellings,
9 or to discriminate against any person in the terms or conditions of such access,
10 membership, or participation, on account of race, sex, sexual orientation,
11 gender identity, age, marital status, religious creed, color, national origin,
12 citizenship, immigration status, or disability of a person, or because a person is
13 a recipient of public assistance, or because a person is a victim of abuse, sexual
14 assault, or stalking.

15 * * *

16 (12) To discriminate in land use decisions or in the permitting of
17 housing because of race, sex, sexual orientation, gender identity, age, marital
18 status, religious creed, color, national origin, citizenship, immigration status,
19 disability, the presence of one or more minor children, income, or because of
20 the receipt of public assistance, or because a person is a victim of abuse, sexual
21 assault, or stalking, except as otherwise provided by law.

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(d) If required by federal law, the verification of immigration status shall not constitute a violation of subsection (a) of this section with respect to the sale and rental of dwellings.

* * * LURB Appeals Study * * *

Sec. 10. 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

Sec. 11a. ACT 250 APPEALS STUDY

(a) On or before ~~January 15, 2026~~ November 15, 2025, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of non-profit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and

1 Community Development, and the Agency of Natural Resources in preparing
2 the report. The Board shall provide notice of the stakeholder meetings on its
3 website and each meeting shall provide time for public comment.

4 (b) The report shall at minimum recommend:

5 (1) ~~whether~~ Whether to allow consolidation of appeals at the Board, or
6 with the Environmental Division of the Superior Court, and how, including
7 what resources the Board would need, if transferred to the Board, appeals of
8 permit decisions issued under 24 V.S.A. chapter 117 and the Agency of
9 Natural Resources can be consolidated with Act 250 appeals;

10 (2) ~~how~~ How to prioritize and expedite the adjudication of appeals
11 related to housing projects, including the use of hearing officers to expedite
12 appeals and the setting of timelines for processing of housing appeals;

13 (3) ~~procedural~~ Procedural rules to govern the Board's administration of
14 Act 250 and the adjudication of appeals of Act 250 decisions. These rules
15 shall include procedures to create a firewall and eliminate any potential for
16 conflicts with the Board managing appeals and issuing permit decisions and
17 jurisdictional opinions; ~~and~~.

18 (4) ~~other~~ Other actions the Board should take to promote the efficient
19 and effective adjudication of appeals, including any procedural improvements
20 to the Act 250 permitting process and jurisdictional opinion appeals.

1 (c) The report shall be submitted to the Senate Committees on Economic
2 Development, Housing and General Affairs and on Natural Resources and
3 Energy and the House Committee on Environment ~~and Energy~~.

4 * * * Manufactured Housing * * *

5 **Sec. 11.** 24 V.S.A. § 4412 is amended read:

6 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

7 Notwithstanding any existing bylaw, the following land development
8 provisions shall apply in every municipality:

9 (1) Equal treatment of housing and required provisions for affordable
10 housing.

11 * * *

12 (B) Except as provided in subdivisions 4414(1)(E) and (F) of this
13 title, no bylaw shall have the effect of excluding mobile homes, modular
14 housing, or prefabricated housing from any district that allows year-round
15 residential development in the municipality, except upon the same terms and
16 conditions as conventional housing is excluded. A municipality may establish
17 specific site standards in the bylaws to regulate individual sites within
18 preexisting mobile home parks with regard to distances between structures and
19 other standards as necessary to ensure public health, safety, and welfare,
20 provided the standards do not have the effect of prohibiting the replacement of
21 mobile homes on existing lots.

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* * * Brownfields * * *

Sec. 12. 10 V.S.A. § 6604c is amended to read:

§ 6604c. MANAGEMENT OF DEVELOPMENT SOILS

(a) Management of development soils. Notwithstanding any other requirements of this chapter to the contrary, development soils may be managed at a location permitted pursuant to an insignificant waste event approval authorization issued pursuant to the Solid Waste Management Rules that contains, at a minimum, the following:

(1) the development soils are generated from a hazardous materials site managed pursuant to a corrective action plan or a soil management plan approved by the Secretary;

(2) the development soils have been tested for arsenic, lead, and polyaromatic hydrocarbons pursuant to a monitoring plan approved by the Secretary that ensures that the soils do not leach above groundwater enforcement standards;

(3) the location where the soils are managed is appropriate for the amount and type of material being managed;

(4) the soils are capped in a manner approved by the Secretary;

1 and the Senate Committees on Economic Development, Housing and General
2 Affairs and on Natural Resources and Energy with proposals to make the
3 Program established pursuant to 10 V.S.A. chapter 159, subchapter 3
4 (brownfields reuse and liability limitation) substantially more efficient. At a
5 minimum, the report shall include both of the following:

6 (1) A survey of stakeholders in the brownfields program to identify
7 areas that present challenges to the redevelopment of contaminated properties,
8 with a focus on redevelopment for housing. The Secretary shall provide
9 recommendations to resolve these challenges.

10 (2) An analysis of strengths and weaknesses of implementing a licensed
11 site professional program within the State. The Secretary shall make a
12 recommendation on whether such a program should be implemented. If the
13 Secretary recommends implementation, the report shall include any changes to
14 statute or budget needed to implement this program.

15 **Sec. 15.** 2023 Acts and Resolves No. 78, Sec. B.1103, as amended by 2024

16 Acts and Resolves No. 87, Sec. 43, is further amended to read:

17 Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024

18 ONE-TIME APPROPRIATIONS

19 * * *

20 (h) In fiscal year 2024, the amount of \$2,500,000 General Fund is
21 appropriated to the ~~Department of Environmental Conservation~~ Environmental

1 Contingency Fund established pursuant to 10 V.S.A. § 1283 for the
2 Brownfields Reuse and Environmental Liability Limitation Act as codified in
3 10 V.S.A. chapter 159. Funds shall be used for ~~the assessment and cleanup,~~
4 planning, and cleanup of brownfields sites.

5 * * *

6 **Sec. 16.** BROWNFIELD FUNDING

7 The sum of \$6,000,000.00 is appropriated from the General Fund to the
8 Brownfield Revitalization Fund established in 10 V.S.A. § 6654. The Agency
9 of Commerce and Community Development shall award the amount of
10 \$2,000,000.00 in fiscal year 2026 to regional planning commissions for the
11 purposes of brownfields assessment. In awarding funds under this section, the
12 Secretary of Commerce and Community Development, in consultation with the
13 Vermont Association of Planning and Development Agencies, shall select one
14 regional planning commission to administer these funds. To ensure statewide
15 availability, the selected regional planning commission shall subgrant to
16 regional planning commissions with brownfield programs, with not more than
17 10 percent of the funds being used for administrative purposes.

18 * * * TIF / SPARC / HIT * * *

19 **Sec. 17.** [Reserved.]

* * * Taxes * * *

1
2 **Sec. 18.** 32 V.S.A. § 5811(21)(C) is amended to read:

3 (C) decreased by the following exemptions and deductions:

4 * * *

5 (iv) an amount equal to the itemized deduction for medical
6 expenses taken at the federal level by the taxpayer, under 26 U.S.C. § 213:

7 ~~(H)~~ minus the amount of the Vermont standard deduction and
8 Vermont personal exemptions taken by the taxpayer under this subdivision
9 (C); ~~and~~

10 ~~(H) minus any amount deducted at the federal level that is~~
11 ~~attributable to the payment of an entrance fee or recurring monthly payment~~
12 ~~made to a continuing care retirement community regulated under 8 V.S.A.~~
13 ~~chapter 151, which exceeds the deductibility limits for premiums paid during~~
14 ~~the taxable year on qualified long-term care insurance contracts under 26~~
15 ~~U.S.C. 213(d)(10)(A).~~

16 **Sec. 19.** 32 V.S.A. § 3800 is amended to read:

17 § 3800. STATUTORY PURPOSES

18 * * *

19 (r) The statutory purpose of the exemption under section 3851 of this title
20 for certain new construction and improvements is to incentivize those
21 activities.

1 **Sec. 20.** 32 V.S.A. § 3851 is added to read:

2 § 3851. NEW ACCESSORY DWELLING UNITS AND CERTAIN

3 PROPERTY IMPROVEMENTS

4 (a) An increase in the appraisal value of a property shall be exempted from
5 property taxation by fixing and maintaining the taxable value at the property's
6 grand list value in the year immediately preceding improvements in the
7 following cases:

8 (1) the property has been rehabilitated or improved using a grant from
9 the Vermont Housing Improvement Program and construction has been fully
10 completed in the previous 12 months; or

11 (2) the property has been improved through the construction of a new
12 accessory dwelling unit, as defined by 24 V.S.A. § 4303(38), and construction
13 has been fully completed in the previous 12 months.

14 (b) A decrease in appraisal value of a property subject to this exemption
15 due to damage or destruction from fire or act of nature may reduce the
16 property's taxable value below the fixed value under subsection (a) of this
17 section.

18 (c) The exemption under this section shall apply to the State education
19 property tax imposed under chapter 135 of this title and to municipal property
20 tax.

1 (d) An exemption under this section shall remain in effect for three years.
2 When the exemption period ends, the property shall be taxed at its most
3 recently appraised grand list value.

4 * * * VHFA Off-Site Construction * * *

5 **Sec. 21.** VHFA OFF-SITE CONSTRUCTION REPORT

6 (a) The sum of \$250,000.00 is appropriated from the General Fund in fiscal
7 year 2026 to the Department of Housing and Community Development granted
8 to the Vermont Housing Finance Agency to further develop recommendations
9 from the 2025 “Opportunities to Utilize Off-Site Construction to Meet
10 Vermont’s Housing, Workforce and Climate Goals” report. The Vermont
11 Housing Finance Agency shall:

12 (1) identify and recommend a set of State policy objectives and
13 priorities related to off-site housing construction;

14 (2) explore opportunities for using bulk purchases of single- and multi-
15 family homes produced through off-site construction to achieve lower
16 construction costs;

17 (3) gather input from potential manufacturers about how to best achieve
18 cost savings through a bulk purchase program;

19 (4) determine any business planning support needed for existing
20 Vermont businesses seeking to develop or expand off-site construction;

